

<b>NEXFOR FRASER PAPERS INC.</b>	)	<b>DEPARTMENTAL</b>
<b>AROOSTOOK COUNTY</b>	)	<b>FINDING OF FACT AND ORDER</b>
<b>MADAWASKA, MAINE</b>	)	<b>PART 70 AIR EMISSION LICENSE</b>
<b>A-263-70-A-I</b>	)	

After review of the Initial Part 70 License application, staff investigation reports and other documents in the applicant's file in the Bureau of Air Quality, pursuant to 38 M.R.S.A, Section 344 and Section 590, the Department finds the following facts:

**I. Registration**

**A. Introduction**

FACILITY	Nexfor Fraser Papers Inc. (Fraser)
LICENSE NUMBER	A-263-70-A-I
LICENSE TYPE	Initial Part 70 License
SIC CODES	2621
NATURE OF BUSINESS	Paper making
FACILITY LOCATION	Madawaska
DATE OF LICENSE ISSUANCE	June 28, 2002
LICENSE EXPIRATION DATE	June 28, 2007

**B. Emission Equipment**

The following emission units are addressed by this Part 70 License:

EMISSION UNIT ID	UNIT CAPACITY	UNIT TYPE
Boiler #6	240 MMBtu/hr	Fuel Burning Equipment
Diesel pump #1	2.2 MMBtu/hr	Fuel Burning Equipment
Diesel pump #2	1.8 MMBtu/hr	Fuel Burning Equipment
Diesel generator	0.6 MMBtu/hr	Fuel Burning Equipment
(15) Propane Fired Dryers*	3-8 MMBtu/hr	Fuel Burning Equipment
Starch loading and storage	10 tons/hour	Process Equipment
Clay coating unloading and storage	14 tons/hour	Process Equipment
Cold Cleaning Degreasers	---	Process Equipment
#1, #2, #3, #4 Paper Machines	---	Process Equipment
#5, #6, #7, #8 Paper Machines	---	Process Equipment
C-2 off machine coater (aqueous)	80,000 tons/year **	Process Equipment
C-3 off machine coater (aqueous)	80,000 tons/year **	Process Equipment

\* Fraser has 15 propane-fired dryers for the paper coating operation.

\*\* The process rate information is listed only for informational purposes, it is not intended as a license restriction.

Fraser has additional insignificant activities which are not required to be listed in the emission equipment table above. The list of insignificant activities can be found in Fraser's Title V application and in Appendix B of Chapter 140. Fraser may install, eliminate, or modify insignificant activities as allowed by Chapter 140 without revising or modifying this Title V license.

C. Application Classification

The application for Fraser does not include the licensing of increased emissions or the installation of new or modified equipment, therefore the license is considered to be an Initial Part 70 License issued under Chapter 140 of the Department's regulations for a Part 70 source.

II. EMISSION UNIT DESCRIPTION

A. Process Description

Fraser Papers Inc. (Fraser) owns and operates a paper mill in Madawaska, Maine. Fraser is a non-integrated fine and light weight papers mill producing fine and lightweight papers from both mechanical and chemical purchased pulps. Most pulp is purchased from the facility in Edmundston, New Brunswick Canada. The pulp is conveyed by pipeline to Fraser's mill. Fraser uses different mixtures of pulps and coatings to produce lightweight coated and uncoated paper on eight paper machines. Fraser purchases most of its steam from the facility in Edmundston. Fraser also has a backup boiler (Boiler #6) at the mill.

Industrial processes at the mill include starch and clay handling/storage, eight paper machines, a coating preparation area, a finishing, converting, and shipping area, a process wastewater treatment operation and a solid waste landfill.

B. Boiler # 6

Unit Size and Age

Boiler #6 was manufactured by Combustion Engineering with a maximum design heat input of 240 MMBtu/hr firing #6 fuel oil. The boiler was installed in 1949, prior to the New Source Performance Standards (NSPS) Subpart D, Da, Db applicability dates. The boiler is used for back up steam and heating purposes. Emissions exit through a 199 ft stack.

Boiler #6 fires #6 fuel oil that contains 0.7% sulfur by weight or less, and minimal amounts of waste oil generated on site. Due to the construction of a new biomass

boiler in Edmundston, NB, and the supply of steam from that new boiler to Fraser's Madawaska mill, Fraser has been able to significantly reduce its use of Boiler #6 (and retire Boiler #7).

Fraser's use of low sulfur fuel (0.7% sulfur or less) constitutes BPT for SO<sub>2</sub> emissions. Furthermore, Boiler #6 meets the NO<sub>x</sub> RACT limit of 0.40 lb/MMBtu. In addition, due to the restriction on capacity utilization, emissions of other pollutants are relatively minimal. Proper maintenance and operation constitutes BPT for this boiler. Additional control is not feasible. Comparable boilers of this design, size and age in Maine are typically not equipped with additional control for PM, PM<sub>10</sub>, CO or VOC.

Given the limitation on annual capacity, the Department has determined that operation of a NO<sub>x</sub> CEM or opacity COM is not reasonable and this boiler is exempt from such requirements pursuant to DEP Regulations Chapter 117 and the NO<sub>x</sub> RACT determination made by the Department for this boiler in Air Emission License A-263-71-E-A.

### **Streamlining requirements for Boiler #6**

#### Opacity

Fraser accepts streamlining for opacity requirements. Chapter 101, Section 2(D) and Best Practical Treatment (BPT) requirements are applicable. The BPT opacity limit is more stringent. Therefore, only the most stringent BPT limit is included in this license.

Based on best management practices and the type of fuel for which the boilers were designed, it is unlikely that the boilers will exceed the opacity limits. Therefore, periodic monitoring by the source for opacity in the form of visible emission testing is not required. However, neither the EPA nor the State is precluded from performing its own testing and may take enforcement action for any violations discovered.

#### Sulfur Dioxide

Fraser accepts streamlining for sulfur dioxide requirements. Chapter 106 and BPT requirements are applicable. The BPT limit for sulfur dioxide is more stringent. Therefore, only the more stringent BPT sulfur dioxide limit is included in this license.

### C. Diesel Generators

Fraser operates two fire pumps and one stationary diesel generator (86 hp) that are greater than 0.5 MMBtu/hr. One fire pump is a 350 horsepower (2.2 MMBtu/hr) Cummins engine. This engine has been limited to fire no more than 33,100 gallons per year of diesel fuel which effectively limits allowable emissions of NO<sub>x</sub> to less than 10 tons per year and exempts the unit from NO<sub>x</sub> RACT requirements.

The second backup fire pump is a 290 horsepower (1.8 MMBtu/hr) Cummins engine that is also limited to combust a maximum of 33,100 gallons of diesel fuel per year. This limits the maximum allowable emissions to less than 10 tons per year and exempts this unit from NO<sub>x</sub> RACT requirements.

In addition to restrictions on the annual fuel use, Fraser fires only diesel fuel containing less than 0.05% sulfur by weight (i.e., on road diesel fuel) to further limit sulfur emissions and will restrict usage to 500 hours per year according to the Air Bureau's SICE guidance. As these units are used for emergency fire system backup only, their use is limited. The units operate approximately half an hour per week to maintain the operational status of the equipment. With the fuel use limit on the diesels as well as using the equivalent of on-road diesel fuel, emissions from these units are minimal and further controls are not feasible.

### **Streamlining requirements for diesel generators**

#### Opacity

Fraser accepts streamlining for opacity requirements. Chapter 101, Section 2(A)(1) and BPT limits are applicable. The BPT opacity limit is more stringent. Therefore, only the BPT limit is included under the Order in this license.

#### Sulfur Dioxide

Fraser accepts streamlining for sulfur dioxide requirements. Chapter 106 and BPT limits are applicable. The BPT sulfur dioxide limit in this license is more stringent. Therefore, only BPT requirements are included in this license.

#### Periodic Monitoring

Periodic monitoring shall consist of recordkeeping of fuel use and hours of operation for both diesel generators. Based on the type of fuel used and hours of operation of the SICE units and operating in a manner consistent with good air pollution control practices, it is unlikely the SICE units will exceed the opacity limits. Therefore, periodic monitoring by the source for opacity in the form of visible emission testing is not required. However, neither the EPA nor the state is

precluded from performing its own testing and may take enforcement action for any violations discovered.

**D. Starch and Clay Process Equipment**

**Units Description and Control Equipment**

The following process equipment is controlled to prevent particulate matter emissions.

Source	Date of Installation	Control equipment, % efficiency
Starch loading and storage system	1994	Baghouse, >99.9%
Clay unloading and storage system	1966	Baghouse, >99.0%

Fraser operates a starch unloading system and storage silo, and three clay unloading systems all of which are equipped with baghouses. In such applications, baghouses are generally considered the most effective type of control available for PM emissions and therefore represent BPT. Fraser shall not exceed a limit of 10% opacity, at the outlet of the baghouses, for more than one 6-minute period per hour.

**Streamlining for starch and clay unloading**

**Opacity**

Fraser accepts streamlining for opacity requirements. Chapter 101, Section 2(C) and BPT limits are applicable. The BPT opacity limits are more stringent. Therefore, only the BPT limits are included in this license.

**Particulate Matter Emissions**

Fraser accepts streamlining for particulate matter requirements. Chapter 105 which limits particulate matter emissions from general process equipment is applicable; however, meeting the Best Practical Treatment (BPT) opacity limits in this license meets Chapter 105 requirements.

**Periodic Monitoring**

Periodic monitoring shall consist of recordkeeping of baghouse inspections and maintenance, and all process and control equipment malfunctions that might increase emissions.

Based on maintenance and the use of baghouses and operating in a manner consistent with good air pollution control practices, it is unlikely the process equipment will exceed the opacity limits. Therefore, periodic monitoring for opacity in the form of visible emission is not required. However, the EPA and the

State may perform its own testing or require the source to perform testing, and either EPA and/or the State may take enforcement action for any violations discovered.

E. Paper Machines and Coaters

Fraser Papers, Inc. operates eight paper machines, two on-line coaters and two off-line coaters. Fraser does not undertake any solvent base coating. All coatings are aqueous based which contain minimal levels of VOCs, if any. The VOC content of coatings is below the RACT limits of 2.9 lb/gallon. The coaters are subject to MEDEP Chapter 123, Paper Coating Regulation. Fraser has certified that all of the coatings used on the coaters have an as applied VOC content less than 2.9 pounds per gallons of coating. The Department has previously determined through the rulemaking of Chapter 134 that additional controls are not feasible for paper machines. EPA has also reached this conclusion during the course of development of MACT requirements for paper machines.

Paper Machines, Off Machine Coater,

Fraser is licensed to operate the following paper machines, off machine coater, and pulp processes.

Source	Date of Installation	Control Equipment
Paper Machine (No. 1)	1925	N/A
Paper Machine (No. 2)	1925	N/A
Paper Machine (No. 3)	1927	N/A
On-line Coater (Dryer 3.5 MMBtu/hr)		
Paper Machine (No. 4)	1927	N/A
Paper Machine (No. 5)	1928	N/A
Paper Machine (No. 6)	1930	N/A
Paper Machine (No. 7)	1960	N/A
On-line Coater (Dryer 3 MMBtu/hr)		
Paper Machine (No. 8)	1970	N/A
C-2 Off Line Coater Dryer (propane) 5 MMBtu/hr	1966	N/A
C-3 Off Machine Coater Dryer (propane) 8 MMBtu/hr	1979	N/A

*Streamlining*

Fraser accepts streamlining for opacity requirements for the Off-Machine Coater. Chapter 101, Section 2(A)(1) and BPT limits are applicable. The BPT opacity

limit in this license is more stringent. Therefore, only the more stringent BPT limit is included under the Order in this license.

*Periodic Monitoring*

**VOCs**

The coating machines operated at Fraser meet the emission limits set forth in Chapter 123 as amended on October 2, 2000 by using only coatings with less than 2.9 pounds of VOC per gallon. VOC content and emissions shall be based on EPA Method 24 as required in Chapter 123 of the Department's regulations. Under Chapter 123, Fraser must maintain the following records on site for all coatings used at the facility on a monthly basis:

- Time period
- Amount of VOC containing chemicals in coatings
- Amount of VOC/lb of coating (less water)
- Total VOCs emitted from coating on a monthly and a 12-month rolling average basis.
- Certification stating all mill coatings are below 2.9 pounds, excluding water and negligibly reactive VOC compounds.

F. Propane Dryers

Fraser Papers, Inc. operates several propane-fired dryers. These units range from 3.0 MMBtu/hr to 8 MMBtu/hr in size and are exempt from NO<sub>x</sub> RACT requirements pursuant to section 1(B) of Chapter 138. Due to the relatively small size of these units and the minimal emissions created by propane firing, additional control is not feasible for these units.

G. Solvent Degreasers

Fraser operates degreasing units throughout the facility. The total VOC emissions from the solvent degreasers in the past few years was less than one ton annually. Fraser shall meet all the applicable requirements of Chapter 130 of the Maine Air Bureau regulations.

*Periodic monitoring*

Periodic monitoring for the degreaser units shall consist of recordkeeping including records of solvent added and removed.

#### H. Storage tanks

Fraser constructed a new #6 oil storage tank in 2001. The new tank is 150,000 gallons in size. There are no applicable requirements for this new tank. Further, because the potential to emit of this new tank is less than 1 ton/year of VOC, it qualifies as an insignificant activity under MEDEP Chapter 140. However, Fraser is required to maintain for the life of the tank a set of drawings of the tank indicating the capacity of the tank pursuant to 40 CFR Part 60, Subpart Kb.

Fraser has other storage tanks that do not need to be included in this Title V license due to either their size or their age and therefore these tanks are not subject to 40 CFR Part 60 Subpart K.

#### I. Fugitive Emissions

Fugitive particulate matter emissions at Fraser include material stockpiles, paved and unpaved surfaces.

##### *Periodic Monitoring*

Based on using best management practices and wetting roads and storage piles with water when appropriate, it is unlikely the fugitive emission sources will exceed the opacity limits. Therefore, periodic monitoring for opacity in the form of visible emission testing is not required. However, neither the EPA nor the State is precluded from performing its own testing and may take enforcement action for any violations discovered.

#### J. Miscellaneous Emission units with Applicable Requirements

Miscellaneous emission units include various small fuel burning sources.

##### *Streamlining*

##### *Opacity*

Fraser accepts streamlining for opacity requirements. Chapter 101, Section 2(A)(1) and BPT limits are applicable. The BPT opacity limit is more stringent. Therefore, only the more stringent BPT limit is included in this license.

##### *Periodic Monitoring*

The miscellaneous emission units are subject to generally applicable requirements, and a regular program of monitoring will not significantly enhance the ability of the permit to assure compliance with the general applicable requirement. Therefore, no monitoring is required for these units.



K. Facility Emissions

The following is the sum of all allowable emission limits as described in this air emission license (emission equipment in section I.B. of this Title V license) which is used to calculate the license fees.

**Annual Emissions for the Facility**  
(used to calculate the license fee)

Pollutant	Tons/Year
PM	61
PM <sub>10</sub>	61
SO <sub>2</sub>	222
NO <sub>x</sub>	99
CO	12
VOC *	130

\* The VOC ton per year emission limit is higher than prior licensed levels to account for volatiles in the “aqueous based” coatings, applied by the coaters on the paper machines. These VOCs had previously been considered negligible and therefore were not included in past air emission licensing.

L. NO<sub>x</sub> RACT, VOC RACT, and MACT

NO<sub>x</sub> RACT

Chapter 138 of the Maine Air Regulations requires that every source which has the potential to emit equal to or greater than 100 tons per year apply NO<sub>x</sub> RACT (Reasonable Available Control Technology) to their applicable NO<sub>x</sub> emissions. Chapter 138 NO<sub>x</sub> RACT requirements are incorporated into this initial Part 70 license.

Fraser proposed to meet the NO<sub>x</sub> RACT requirements of DEP Regulation Chapter 138 by limiting the operation of Boiler #6 to less than 30% of its annual capacity factor, by tuning the boiler, and by limiting the operation of boiler #6 to less than 20 tons per month of NO<sub>x</sub> and less than 100 tons per year of NO<sub>x</sub> on a 12 month rolling total updated monthly. The first 12-month period for these limits is April 1, 1997 to April 1, 1998. At a NO<sub>x</sub> limit of 0.40 lbs/MMBtu, 100 tons per year of emissions equates to 3,378,000 gallons of #6 fuel oil.

Fraser has conducted stack tests for NO<sub>x</sub> that demonstrated compliance with the 0.40 lbs/MMBtu limit. The NO<sub>x</sub> RACT requirements in Chapter 138 as applied

to Boiler #6 are met by Fraser's acceptance of an oil limit that restricted the Boiler to less than 30% of its annual capacity factor. The 0.40 lb/MMBtu limit is imposed pursuant to the DEP's BPT authority and, as such, is considered "state-only enforceable." As set forth in air emission license A-263-71-B-R, additional testing and tune-ups will only be required if Fraser combusts more than 2,800,000 gallons of #6 fuel oil per calendar year. These conditions are set forth in License Amendment #2 (A-263-71-D-M) and #3 (A-263-71-E-A).

#### VOC RACT

Chapter 134 of the Maine Air Regulations requires facilities that have the potential to emit forty (40) tons or more of VOC per calendar year apply VOC RACT to their applicable VOC emissions. Boilers, paper machines, on and off-line dryers and coaters are exempt from the rule. The potential to emit VOCs from the remaining equipment at the Madawaska mill is less than 40 tpy.

#### MACT

Fraser is not subject to EPA's NESHAP for the Paper Industry, 40 CFR Part 63, Subpart S, otherwise known as the Pulp and Paper MACT standard because there are no affected sources at the Mill.

Further, as part of its MACT rule for the Pulp and Paper source category, EPA determined that MACT for paper machines is no further control. Thus, EPA's MACT standard for paper machines imposes no applicable requirements on the paper machines at Fraser. Because of EPA's MACT finding, the Mill is not subject to the case-by case MACT provisions in Clean Air Act Section 112 (j) and 40 CFR Part 63, Subpart B for the paper machines.

### **III. AIR QUALITY ANALYSIS**

There have been no modifications to the facility since the last air quality analysis was performed therefore, the existing ambient air quality analysis performed for Fraser in Air Emission License Renewal A-263-71-B-R issued June 9, 1998, which demonstrated compliance with Maine Ambient Air Quality Standards and Class I and Class II Increments, is sufficient for this initial Part 70 Air Emission License.

#### **ORDER**

Based on the above Findings and subject to conditions listed below, the Department concludes that emissions from this sources:

- will receive Best Practical Treatment;

- will not violate applicable emissions standards
- will not violate applicable ambient air quality standards in conjunction with emissions from other sources.

The Department hereby grants the Part 70 License A-263-70-A-I pursuant to MEDEP Chapter 140 and the preconstruction permitting requirements of MEDEP Chapter 115 and subject to the standard and special conditions below.

All federally enforceable and State-only enforceable conditions in existing air licenses previously issued to Fraser Paper pursuant to the Department's preconstruction permitting requirements in Chapters 108 or 115 have been incorporated into this Part 70 license, except for such conditions that MEDEP has determined are obsolete, extraneous or otherwise environmentally insignificant, as explained in the findings of fact accompanying this permit. As such the conditions in this license supercede all previously issued air license conditions.

Federally enforceable conditions in this Part 70 license must be changed pursuant to the applicable requirements in Chapter 115 for making such changes and pursuant to the applicable requirements in Chapter 140.

For each standard and special condition which is state enforceable only, state-only enforceability is designated with the following statement: **Enforceable by State-only.**

### Standard Statements

- (1) Approval to construct shall become invalid if the source has not commenced construction within eighteen (18) months after receipt of such approval or if construction is discontinued for a period of eighteen (18) months or more. The Department may extend this time period upon a satisfactory showing that an extension is justified, but may condition such extension upon a review of either the control technology analysis or the ambient air quality standards analysis, or both;
- (2) The Part 70 license does not convey any property rights of any sort, or any exclusive privilege;
- (3) All terms and conditions are enforceable by EPA and citizens under the CAA unless specifically designated as state enforceable.
- (4) The licensee may not use as a defense in an enforcement action that the disruption, cessation, or reduction of licensed operations would have been

necessary in order to maintain compliance with the conditions of the air emission license;

- (5) Notwithstanding any other provision in the State Implementation Plan approved by the EPA or Section 114(a) of the CAA, any credible evidence may be used for the purpose of establishing whether a person has violated or is in violation of any statute, regulation, or Part 70 license requirement.
- (6) Compliance with the conditions of this Part 70 license shall be deemed compliance with any Applicable requirement as of the date of license issuance and is deemed a permit shield, provided that:
- (a) Such Applicable and state requirements are included and are specifically identified in the Part 70 license, except where the Part 70 license term or condition is specifically identified as not having a permit shield; or
- (b) The Department, in acting on the Part 70 license application or revision, determines in writing that other requirements specifically identified are not applicable to the source, and the Part 70 license includes the determination or a concise summary, thereof.

Nothing in this section or any Part 70 license shall alter or effect the provisions of Section 303 of the CAA (emergency orders), including the authority of EPA under Section 303; the liability of an owner or operator of a source for any violation of Applicable requirements prior to or at the time of permit issuance; or the ability of EPA to obtain information from a source pursuant to Section 114 of the CAA.

***Permit shield table for the facility will be listed here.***

The following requirements have been specifically identified as not applicable based upon information submitted by the licensee in an application dated March, 1999.

SOURCE	CITATION	DESCRIPTION	BASIS FOR DETERMINATION
Facility	40 CFR Part 60 Subpart BB	Standards of Performance for "Kraft pulp mills"	Fraser's Madawaska operations do not include a kraft pulp mill.
Facility	40 CFR Part 63, Subpart E	Standards of Performance for the labeling of products using ozone-depleting substances	The Madawaska mill does not manufacture their paper with substances subject to this regulation
Boiler #6	40 CFR Part 60 Subpart D, Da, Db, and Dc	New Source Performance Standards for steam generating units	Boiler #6 was constructed in 1949, prior to the applicability dates of these regulations.

Facility	40 CFR Part 63, Subpart T	NESHAP for halogenated solvent cleaning	The Madawaska's mill degreasers do not use any solvents that contain chemicals subject to this regulation in concentration greater than 5% by weight.
Facility	40 CFR Part 63, Subpart KK	NESHAP for Printing & Publishing	Proof presses, as the one Fraser operates, are exempt.
Facility	Chapter 111	Petroleum Liquid Storage	Fraser does not have tanks that are subject to this regulation
Facility	Chapter 124	TRS control from Kraft pulp mills	Fraser's Madawaska facility does not run a "kraft pulp mill"
Facility	Chapter 129	Surface Coating Facilities	The Madawaska mill does not own, operate, or participate in any activities that would be subject to this regulation.
Facility	Chapter 132	Graphic Arts-Rotogravure and Flexography	Fraser's "proof press" is operated in the lab and used for quality control purposes. The proof press does not meet the definition of a printing press (continuous substrate or sheet).
Facility	Chapter 134	VOC RACT	Boilers, paper machines, on and off-line dryers and coaters are exempt from this rule. Potential to emit VOCs from the remaining equipment is less than 40 tpy.

- (7) The Part 70 license shall be reopened for cause by the Department or EPA, prior to the expiration of the Part 70 license, if:
- (a) Additional Applicable requirements under the CAA become applicable to a Part 70 major source with a remaining Part 70 license term of 3 or more years. However, no opening is required if the effective date of the requirement is later than the date on which the Part 70 license is due to expire, unless the original Part 70 license or any of its terms and conditions has been extended pursuant to Chapter 140;
  - (b) Additional requirements (including excess emissions requirements) become applicable to a Title IV source under the acid rain program. Upon approval by EPA, excess emissions offset plans shall be deemed to be incorporated into the Part 70 license;
  - (c) The Department or EPA determines that the Part 70 license contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the Part 70 license; or
  - (d) The Department or EPA determines that the Part 70 license must be revised or revoked to assure compliance with the Applicable requirements.

The licensee shall furnish to the Department within a reasonable time any information that the Department may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the Part 70 license or to determine compliance with the Part 70 license.

- (8) No license revision or amendment shall be required, under any approved economic incentives, marketable licenses, emissions trading and other similar programs or processes for changes that are provided for in the Part 70 license.

**Standard Conditions**

- (1) Employees and authorized representatives of the Department shall be allowed access to the licensee's premises during business hours, or any time during which any emissions units are in operation, and at such other times as the Department deems necessary for the purpose of performing tests, collecting samples, conducting inspections, or examining and copying records relating to emissions and this license (Title 38 MRSA §347-C);

- (2) The licensee shall acquire a new or amended air emission license prior to commencing construction of a modification, unless specifically provided for in Chapter 140;

- (3) The licensee shall establish and maintain a continuing program of best management practices for suppression of fugitive particulate matter during any period of construction, reconstruction, or operation which may result in fugitive dust, and shall submit a description of the program to the Department upon request;

**Enforceable by State-only**

- (4) The licensee shall pay the annual air emission license fee to the Department, calculated pursuant to Title 38 MRSA §353.

- (5) The licensee shall maintain and operate all emission units and air pollution control systems required by the air emission license in a manner consistent with good air pollution control practice for minimizing emissions;

**Enforceable by State-only**

- (6) The licensee shall retain records of all required monitoring data and support information for a period of at least six (6) years from the date of the monitoring

sample, measurement, report, or application. Support information includes all calibration and maintenance records and all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by the Part 70 license. The records shall be submitted to the Department upon written request or in accordance with other provisions of this license;

- (7) The licensee shall comply with all terms and conditions of the air emission license. The submission of notice of intent to reopen for cause by the Department, the filing of an appeal by the licensee, the notification of planned changes or anticipated noncompliance by the licensee, or the filing of an application by the licensee for the renewal of a Part 70 license or amendment shall not stay any condition of the Part 70 license.
- (8) In accordance with the Department's air emission compliance test protocol and 40 CFR Part 60 or other method approved or required by the Department, the licensee shall:
  - (a) perform stack testing under circumstances representative of the facility's normal process and operating conditions:
    - (i) within sixty (60) calendar days of receipt of a notification to test from the Department or EPA, if visible emissions, equipment operating parameters, staff inspection, air monitoring or other cause indicate to the Department that equipment may be operating out of compliance with emission standards or license conditions;
    - (ii) to demonstrate compliance with the applicable emission standards; or
    - (iii) pursuant to any other requirement of this license to perform stack testing.
  - (b) install or make provisions to install test ports that meet the criteria of 40 CFR Part 60, Appendix A, and test platforms, if necessary, and other accommodations necessary to allow emission testing; and
  - (c) submit a written report to the Department within thirty (30) days from date of test completion.

**Enforceable by State-only**

- (9) If the results of a stack test performed under circumstances representative of the facility's normal process and operating conditions indicates emissions in excess of the applicable standards, then:
- (a) within thirty (30) days following receipt of such test results, the licensee shall re-test the non-complying emission source under circumstances representative of the facility's normal process and operating conditions and in accordance with the Department's air emission compliance test protocol and 40 CFR Part 60 or other method approved or required by the Department; and
  - (b) the days of violation shall be presumed to include the date of stack test and each and every day of operation thereafter until compliance is demonstrated under normal and representative process and operating conditions, except to the extent that the facility can prove to the satisfaction of the Department that there were intervening days during which no violation occurred or that the violation was not continuing in nature; and
  - (c) the licensee may, upon the approval of the Department following the successful demonstration of compliance at alternative load conditions, operate under such alternative load conditions on an interim basis prior to a demonstration of compliance under normal and representative process and operating conditions.

**Enforceable by State-only**

- (10) The licensee shall maintain records of all deviations from license requirements. Such deviations shall include, but are not limited to malfunctions, failures, downtime, and any other similar change in operation of air pollution control systems or the emission unit itself that is not consistent with the terms and conditions of the air emission license.
- a. The licensee shall notify the Commissioner within 48 hours of a violation in emission standards and/or a malfunction or breakdown in any component part that causes a violation of any emission standard, and shall report the probable cause, corrective action, and any excess emissions in the units of the applicable emission limitation;
  - b. The licensee shall submit a report to the Department on a quarterly basis if a malfunction or breakdown in any component part causes a violation of any emission standard, together with any exemption requests.



Pursuant to 38 MRSA § 349(9), the Commissioner may exempt from civil penalty an air emission in excess of license limitations if the emission occurs during start-up or shutdown or results exclusively from an unavoidable malfunction entirely beyond the control of the licensee and the licensee has taken all reasonable steps to minimize or prevent any emission and takes corrective action as soon as possible. There may be no exemption if the malfunction is caused, entirely or in part, by poor maintenance, careless operation, poor design or any other reasonably preventable condition or preventable equipment breakdown. The burden of proof is on the licensee seeking the exemption under this subsection.

- c. All other deviations shall be reported to the Department in the facility's semiannual report.
- (11) Upon the written request of the Department, the licensee shall establish and maintain such records, make such reports, install, use, and maintain such monitoring equipment, sample such emissions (in accordance with such methods, at such locations, at such intervals, and in such manner as the Department shall prescribe), and provide other information as the Department may reasonably require to determine the licensee's compliance status.
- (12) The licensee shall submit semiannual reports of any required periodic monitoring. All instances of deviations from Part 70 license requirements must be clearly identified in such reports. All required reports must be certified by a responsible official.
- (13) The licensee shall submit a compliance certification to the Department and EPA at least annually, or more frequently if specified in the applicable requirement or by the Department. The compliance certification shall include the following:
  - (a) The identification of each term or condition of the Part 70 license that is the basis of the certification;
  - (b) The compliance status;
  - (c) Whether compliance was continuous or intermittent;
  - (d) The method(s) used for determining the compliance status of the source, currently and over the reporting period; and
  - (e) Such other facts as the Department may require to determine the compliance status of the source;

### SPECIFIC CONDITIONS

(14) Boiler #6

- A. Fraser is licensed to operate boiler No. 6 (240 MMBtu/hr) which is licensed to fire #6 fuel oil as the primary fuel and #2 fuel oil for startup. [MEDEP Chapter 140, BPT] **Enforceable by State-only**
- B. The sulfur content of the fuel oil fired shall not exceed 0.7% by weight demonstrated by purchase records from the supplier. [MEDEP Chapter 106]
- C. Emissions from the boiler shall not exceed the following limits:

<i><b>Pollutant</b></i>	<i><b>lb/MMBtu</b></i>	<i><b>Origin and Authority</b></i>	<i><b>Enforceability</b></i>
PM	0.20	MEDEP, Chapter 103, Section 2(B)(1)(a)	-
PM <sub>10</sub>	0.20	MEDEP Chapter 140, BPT	<b>Enforceable by State-only</b>
NO <sub>x</sub>	0.40	MEDEP Chapter 140, BPT	<b>Enforceable by State-only</b>

<i><b>Pollutant</b></i>	<i><b>lb/hr</b></i>	<i><b>Origin and Authority</b></i>	<i><b>Enforceability</b></i>
PM	48.0	MEDEP Chapter 140, BPT	<b>Enforceable by State-only</b>
PM <sub>10</sub>	48.0	MEDEP Chapter 140, BPT	<b>Enforceable by State-only</b>
SO <sub>2</sub>	175.8	MEDEP Chapter 140, BPT	<b>Enforceable by State-only</b>
NO <sub>x</sub>	96.0	MEDEP Chapter 140, BPT	<b>Enforceable by State-only</b>
CO	8.0	MEDEP Chapter 140, BPT	<b>Enforceable by State-only</b>
VOC	2.0	MEDEP Chapter 140, BPT	<b>Enforceable by State-only</b>

- D. Fraser shall operate the boiler such that the visible emissions from the stack does not exceed 30% opacity on a six (6) minute block average basis, for more than two (2) six (6) minute block averages in a 3-hour period.

For boilers whose rated input capacity is greater than 200 MMBtu/hr, opacity exemptions during the first four hours after cold startup or planned shutdown may be sought, provided that records are available to demonstrate that the facility had operated to minimize emissions, according to Section (E) of Chapter 101 of the MEDEP Air Bureau Regulations. Any person claiming an exemption under this paragraph shall have the burden of proving that any excess emissions were not caused entirely, or in part, be poor maintenance, careless operation, poor design or any other reasonably preventable condition. [MEDEP Chapter 140, BPT]

- E. Fraser shall maintain records of annual #6 fuel use indicating the quantity of fuel consumed (gallons, the percent (%) sulfur content of the fuel by weight, and the heat content of the fuel), demonstrated by purchase records from the supplier. [MEDEP Chapter 140, BPT]
- F. Fraser shall limit the annual average capacity factor of its fuel use in boiler #6 to less than 30%. Fraser shall not exceed an annual #6 fuel cap of 3,378,000 gallons per year (12 month rolling total) demonstrated by fuel gauges on the fuel tank. [MEDEP Chapter 140, BPT]
- G. Fraser will perform a tune up on Boiler #6 and NOx emission stack testing in accordance with 40 CFR Part 60 or other methods approved or required by the Department, to demonstrate compliance with 0.40 lb/MMBtu NOx emission limit if the boiler is operated for more than 20% of its annual capacity factor or combusts more than 2,800,000 gallons of #6 fuel oil per year, based on a 12 month rolling total. Such testing shall be conducted during the period between March 1 - May 31, following a 12-month period in which oil use exceeds 2,800,000 gallons. [MEDEP Chapter 140, BPT] **Enforceable by State-only**
- (15) Fraser shall limit the maximum fuel use for each of the two diesel fire pumps identified in this license to 33,100 gallons per year with a maximum fuel sulfur content of 0.05% by weight. To be considered “emergency” back-up generators, Fraser shall limit the operation of each unit to less than 500 hours per year and maintain an hour meter for each. [MEDEP Chapter 140, BPT]
- (16) Visible emissions from the diesel generators shall not exceed an opacity of 30% on a 6-minute block average, except for no more than 2 six-minute block averages in a 3-hour period. [MEDEP Chapter 140, BPT]
- (17) Fraser shall operate the starch unloading system and storage silo, and two clay unloading systems equipped with baghouses to control PM emissions. Visible emissions from any General Process Source or Fugitive Emission source shall not exceed an opacity of 10 percent on a six (6) minute block average basis, for more than one (1) six (6) minute block average in a 1-hour period. In order to document maintenance of the baghouses, Fraser Paper shall keep a maintenance log recording the date of all bag failures, as well as all routine maintenance. [MEDEP Chapter 140, BPT]

- (18) Fraser Papers, Inc. shall operate all solvent degreasers according to the requirements/recordkeeping imposed per Chapter 130 of the Maine Air Bureau Regulations. Fraser shall label the parts washer with operational standards, equip the washer with cover if vapor pressure >15 mmHG at 100°F, close cover when not in use, drain parts for 15 seconds or longer, shall not degrease porous material, keep drafts < 40 m/minute, repair leaks, and keep records of solvent added and removed. [MEDEP Chapter 130]
- (19) The two on-line and the two off-line paper coating machines operated at Fraser shall run with only aqueous based coatings. The VOC content of the coatings will remain below 2.9 lb/gallon. Fraser shall meet the requirements of Chapter 123 of the Maine DEP regulations, including all emission limits and recordkeeping. [MEDEP Chapter 140, BPT]
- (20) Per Chapter 123, Fraser shall maintain the following records on site for all coatings used at the facility on a monthly basis:
- Time period
  - Amount of VOC containing chemicals in coatings
  - Amount of VOC/lb of coating (less water)
  - Total VOCs emitted from coating on a monthly and a 12-month rolling total basis.
  - Certification stating all mill coatings are below 2.9 pounds, excluding water and negligibly reactive VOC compounds.
- (21) **Gasoline Storage Tank**
- A. The fill pipe shall extend within 6 inches of the bottom of the gasoline storage tank. [MEDEP Chapter 118]
  - B. The licensee shall maintain records of the monthly and annual throughput of gasoline. [MEDEP Chapter 118]
- (22) **Semiannual Reporting**
- The licensee shall submit semiannual reports every six months to the Bureau of Air Quality. The initial semiannual report is due (insert date), 30 days from the end of the second calendar quarter following the date of signature of this license.
- A. Each semiannual report shall include a summary of the periodic monitoring required by this license.
  - B. All instances of deviations from license requirements and the corrective action taken must be clearly identified and provided to the Department in summary form for each six-month interval.  
[MEDEP Chapter 140]

(23) **Annual Compliance Certification**

The licensee shall submit an annual compliance certification to the Department in accordance with Condition (20) of this license. The initial annual compliance certification is due (insert date) with the submittal of the second semiannual report after the signature date of this license. [MEDEP Chapter 140]

(24) **A. Annual Emission Statement**

In accordance with MEDEP Chapter 137, the licensee shall annually report to the Department the information necessary to accurately update the State's emission inventory by means of:

- 1) A computer program and accompanying instructions supplied by the Department;  
or
- 2) A written emission statement containing the information required in MEDEP Chapter 137.

Reports and questions should be directed to:

Attn: Criteria Emission Inventory Coordinator  
Maine DEP Bureau of Air Quality  
17 State House Station  
Augusta, ME 04333-0017  
Phone: (207) 287-2437

The emission statement must be submitted by September 1.

**B. Biennial Emission Statement**

In accordance with MEDEP Chapter 137, the licensee shall report every two years (1996,1998,etc.) to the Department the information necessary to accurately update the State's toxic air pollutants emission inventory by means of a written emission statement containing the information required in MEDEP Chapter 137.

Reports and questions on the Air Toxics emissions inventory portion should be directed to:

NEXFOR FRASER PAPERS INC.  
AROOSTOOK COUNTY  
MADAWASKA, MAINE  
A-263-70-A-I

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DEPARTMENTAL  
FINDING OF FACT AND ORDER  
PART 70 AIR EMISSION LICENSE

Attn: Toxics Inventory Coordinator  
**Maine DEP**

Bureau of Air Quality  
17 State House Station  
Augusta, ME 04333-0017  
Phone: (207) 287-2437

The emission statement must be submitted no later than September 1.

- (25) The licensee is subject to the State regulations listed below.

<u>Origin and Authority</u>	<u>Requirement Summary</u>	<u>Enforceability</u>
Chapter 102	Open Burning	-
Chapter 109	Emergency Episode Regulation	-
Chapter 110	Ambient Air Quality Standard	-
Chapter 116	Prohibited Dispersion Techniques	-
38 M.R.S.A. Section 3 §585-B, sub-§5	Reduce Mercury Use and Emissions	Enforceable by State-only

- (26) The licensee is subject to all applicable requirements of 40 CFR Part 82, Subpart F (Refrigerant Control).

(27) **Certification by a Responsible Official**

All reports (including quarterly reports, semiannual reports, and annual compliance certifications) required by this license to be submitted to the Bureau of Air Quality must be signed by a responsible official. [MEDEP Chapter 140]

- (28) The term of this license shall be five (5) years from the signature date below.

DONE AND DATED IN AUGUSTA, MAINE THIS                      DAY OF                      2002.  
DEPARTMENT OF ENVIRONMENTAL PROTECTION

BY: \_\_\_\_\_  
MARTHA G. KIRKPATRICK, COMMISSIONER

PLEASE NOTE ATTACHED SHEET FOR GUIDANCE ON APPEAL PROCEDURES

Date of initial receipt of application: March 6, 1998

Date of application acceptance: March 20, 1998

Date filed with the Board of Environmental Protection \_\_\_\_\_

This Order prepared by Edwin Cousins, Bureau of Air Quality.